

**Clark County  
State of the County Address**

**February 7, 2003**

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**Craig A. Pridemore**

**Chair, Board of Clark County Commissioners  
Vancouver, Washington**

Mr. Worthy, Commissioner Morris, Commissioner Stanton, Mr. Barron, ladies and gentlemen.

I want to begin by introducing some special guests who weren't introduced earlier. They are members of the County [Youth Commission](#) and/or members of the [Youth Ambassador Program](#) at ESD #112. With great reluctance, they forced themselves to cut class in order to be with us today. Could you all please stand.

For decades we adults have referred to young people as being our future. The Youth Commission and the Youth Ambassadors remind all of us that they are also a significant part of our present.

**Introduction**

We traditionally do two things in the State of the County speech. First, we recap events and major projects over the past year, and, second, we highlight major, expected events and projects for the next year. Unfortunately, just doing those two things generally consumes the entire speech.

This year, I want to limit and focus the speech on three major public policy areas that have played a significant role in shaping the board's agenda in recent years and that will surely play a major role in the years ahead. If we are sometimes an inch thick and a mile wide, this year I'd like to take the risk of trying to be the opposite.

Specifically, I want to talk frankly and honestly about the financial condition of Clark County government, about what the county has been doing in the past two years about economic development, and I want to talk about some of the thinking that's prompting a lot of our current discussions about growth management.

It is important for me to say that the views expressed in this speech are mine. In most cases, I'm confident that I'm going to express the view of the board as a whole. In many, I know I'm only going to express the views of a majority. In the rest... well, from my first day in public office, I've never shrunk from the responsibility of standing alone and on some points I'm surely going to do that today.

Every three years, each commissioner gets a chance to say what they think while still being respectful of the institution we all serve. This year, it's my turn.

### **Financial Situation**

The first area I want to talk about is the financial condition of county government.

While it will be difficult for most of us to believe, there are some people who find the topic of public finance to be boring so I'm going to try to get through it as quickly and as painlessly as possible. As most of you know, however, I was a public finance official in a prior life so please forgive me if I fail.

Whether it's interesting or not, how we finance government (or if we finance it at all) has a significant impact on our quality of life, on our health, safety and security, and on our ability to participate in our democratic system of government. While we may not always like to talk about it, sometimes we have to and this is definitely one of those times.

It can be difficult for citizens to understand why, when revenues are still increasing, people in government can still talk about "budget cuts". How can you have a cut, they reason, when you're literally spending more?

There are two reasons for it that every citizen must understand if we're going to be able to address the coming challenges together.

First, the county has two primary sources for tax revenues: a county portion of the property tax and a county portion of the sales tax.

Despite recent initiatives that have limited the growth of property tax revenues, they do still go up every year. They go up first by the 1% limit imposed by Initiative 747, but they also go up because of new growth. Whenever a new home or business is built in Clark County, they begin paying additional property taxes that can cause overall revenue to increase by more than 1%.

Today, Clark County's property tax revenues are increasing at about 4% annually. Similarly, sales tax revenues, generated by increased population and consumer spending, are also increasing but only by about 1/2% annually right now. These two factors combined, mean that we can expect a net effect of our primary general fund revenues increasing by about 3% a year.

Costs, however, are increasing by more than 3%. Part of that is just general inflation for the products and services we buy from the private sector, but a large share of it is from the salaries and benefits of county employees who make up some 70% of our general fund expenditures.

We hire lawyers, engineers, nurses, accountants, nutritionists, paralegals, and law enforcement officials. We spend thousands, frequently tens of thousands of dollars, and weeks, often months, training them for specialized jobs.

When we hire someone, we invest in them, we train them for a specialized job and we hope they stay with us long enough to recoup our investment in them. Consequently, we try to keep their pay at least close to what the market in their field is paying.

Just as with most private sector businesses that employ professional level staff we offer medical and dental benefits and just as with most private sector companies, we are seeing the costs of those benefits skyrocket every year.

For Clark County, the cumulative impact has been employee costs that have been rising at more than five percent annually. Revenues are increasing at 3%; costs are increasing by 5%. You don't have to love public finance to understand that, over time, something's got to give.

The second major contributor to our description of "cuts" is what happens when population rises and staffing levels remain constant. While we refer to them as budget cuts, it is probably more accurate to call them service cuts.

I spoke earlier about how new growth contributes more taxes to county coffers and it is widely assumed that those increases in revenue are great enough to pay for the increased services that are needed. In some specific cases they clearly are.

When a small family with one or two children buys a higher end home, for example, it's possible that they may be paying as much in taxes as they will require in public services.

Similarly, when a company like WaferTech or SEH America comes to town, every study I've ever seen pretty clearly establishes that they pay significantly more than they consume in government services.

The difficulty is that those aren't the predominant kinds of development we've been seeing in Clark County. We've fallen woefully far behind in commercial and in major industrial development while greatly increasing our development of entry level residential homes. These homes almost always require more in public services than they generate in taxes.

Some people argue, and passionately argue, that in tough economic times, businesses have to tighten their belts and cut costs; families have to reprioritize and decide what's most important for their budgets; if businesses and families have to do that, governments should have to do it, too, and those people aren't far wrong.

But there is a difference and no one should misunderstand it. Let me give you one example.

In the next two years, Clark County will likely add an additional 15,000 citizens. Regrettably but inevitably, a small handful of those 15,000 additional citizens will commit an additional 150 felony crimes a year.

During those same two years, however, our adopted general fund budget doesn't provide for the addition of a single new county employee.

We will not be hiring a single new deputy, new prosecuting attorney, new judge or any of the support staff necessary to handle the paperwork and operational costs associated with them.

Per capita, we will spend less money, just as you will spend less if you go on a shorter vacation or adjust your food budget. For county government, however, the inevitable outcome will be to decrease our ability to enforce the law. When you cut your own budget or your company cuts its budget, it clearly hurts you. When the county cuts its budget, it hurts you, too.

Because criminal cases have a constitutional priority, the first decline in our justice system has been in the area of civil justice. Citizens complain already about the length of time it takes to get a divorce through the system, an adoption, a civil commitment, or a lawsuit. That situation has gotten worse in recent years and it will continue to get worse.

For most county citizens, the impact will be hard to see for a few years. In any given year, most county citizens don't encounter the court system, either for a criminal or a civil case. Those who do will see the impacts of the cuts and virtually every citizen, when their all but inevitable court case comes up, will eventually realize why we've put funding priority to our courts.

Local newspapers recently reported that there are bills floating in the state legislature this year to provide state funding for additional judges in Clark County. While we appreciate the thought, county citizens need to understand that the state will fund only half the salary costs of a judge; it will not fund the other half, any of the benefits, or any of the support necessary to staff the positions. Those costs are a county responsibility and we simply don't have the money to match the state share.

It took Clark County two years to find the funding for the eighth superior court judge that we approved three years ago. That was before the impacts of a host of anti-tax initiatives had taken hold. Today they have and there is absolutely no local money available today or in the future to ever fund another.

For the past several years, county commissioners have been cutting what some people considered fat and inefficiency in all of our programs. This year, for the first time, we were able to balance the county budget only by spending money from vital and necessary reserve funds.

It was a difficult decision to make. This is one of the few local governments in the entire state that has honored all citizen-approved initiatives even when those decisions were later struck down by the courts. But even hard-nosed people like the three of us could not bring ourselves to make all the cuts that were necessary to balance the budget without spending reserves.

In the end, there were two programs that we simply couldn't give up on without hoping that something in the next two years might happen to allow them to continue longer than strict financial discipline suggested.

With great difficulty, we chose to continue to fund the county's [domestic violence program](#) at existing levels and to support YWCA's Court Appointed Special Advocate, or CASA, program. The former of these two programs provides special support, counseling and prosecution services, primarily for women who have been the victims of domestic violence.

The latter program supports coordination of adult volunteers who represent the interests of children in court-related activities. Many of these children are victims of domestic violence and sexual abuse themselves. Frequently, the parents who should be looking out for their interests are the very people they need to be protected from.

These two programs are not required (or mandated) by state or federal laws and, barring some change in tax streams at either the state or local level, it is highly unlikely that they will survive beyond 2004.

It shouldn't be in question that this Board and indeed an overwhelming majority of this community is repelled and disgusted by the physical and sexual abuse of women and children. The harsh facts of the matter are, however, that two years from now it is doubtful that we will be able to fund the operations necessary to do very much about it.

We have already begun scaling back our road construction and our community planning efforts. Beyond that, we can and eventually will, tell the state and federal governments that, regardless of what laws they pass, we cannot enforce them; we can, and eventually will, have to close county parks; we can, and eventually will, have to stop enforcing some of our own rules regarding new developments.

Despite even these inevitable cuts, the impacts to our criminal and civil justice system have begun and they will get worse.

I want to shift gears for a moment to specifically address one county expenditure that we did make.

As any citizen knows, there are times in all our lives when it makes sense to spend more today in order to lay the foundation for stronger fiscal stability in the future. Just as any citizen who can will invest in buying a house to escape annually increasing rent payments, so too must governments make investments to save money over time.

Two years ago, we chose to take out a twenty-five year "mortgage" to build the [Public Service Center](#). That decision was the single most fiscally conservative decision made by any Board of County Commissioners in the past twenty years. During the life of the "mortgage" alone, county taxpayers will save \$46 million in rent payments above the cost of the building itself.

This new facility is not a just government facility. It is a community asset. On March 18th, the building will officially be opened for the public and we encourage you to come see a government expenditure that plain and simply made financial sense.

I also want to make an effort to shift the tone on another public issue that is very much connected with government decision making and government expenses.

As members of the [Regional Transportation Council](#), a majority of the Board of County Commissioners recently recommended that the Washington State Department of Transportation continue a one year pilot project to test the efficacy of a High Occupancy Vehicle (or HOV) lane in Clark County.

A successful HOV lane, as this one undeniably will become over time, will move more people using the same expanse of freeway. As Commissioner Morris stated in her State of the County speech two years ago: the greatest capacity on our freeway system today is in the passenger seat right next to you.

Without a significant willingness on the part of our citizens to support increased taxes or tolls on some of our most congested roadways and bridges -- and without a willingness of citizens to have their homes torn down and their neighborhoods split apart to build 8, 10 and 12 lane freeways -- we must continue to do our best to accomplish as much as we can with the resources you've given us. This HOV lane, as marginal as its success is thus far, is a way to do that.

We cannot guarantee the success of our efforts, but you can. This isn't an experiment in social engineering or an effort to get people out of their cars. It is a proven way to reduce the costs of our transportation system and to improve its efficiency.

Some self-serving politicians, ones who have not done a single thing to advance the cause of mobility and transportation in our county or voted to raise a single dollar to address it, will try and are trying to seize on the distress of commuters for their own political advantage.

It's time for those politicians to stop complaining about honest efforts to address a situation that those same self-serving politicians created. We need less mouth in Clark County and a great deal more political courage and decisive action.

The State of Clark County remains good. Barring a significant change in how we fund county government or a significant change in how we develop the future of this community, however, we have now begun a downward spiral with literally no end in sight.

No, the sky is not falling and it was never going to fall. No member of this board ever said otherwise. Rather than falling it will gradually lower like a setting sun, and there

should no longer be any doubt that much of this community's quality of life will lower with it.

Three years ago, as we were putting together financing for the public service center, I joined a group of county financial advisors in meeting with Moody's Investment firm in San Francisco. We were hoping to have the county's bond-rating increased, something that would have saved the county and every city and special service district within it literally millions of dollars in financing long-term debt.

Moody's declined to increase our rating, citing recent voter initiatives that made the future financial stability of Washington State governments and of the Washington State economy less reliable for investors.

That was three years ago, before Initiative 747 and Referendum 51 were approved by voters.

Sometimes, when you win, you lose.

### **Economic Development**

For the past two years, the Board of County Commissioners has made economic development our number one priority and I want to briefly highlight what we've been doing to address it.

First, we have initiated a community wide effort by public and private organizations and individuals to draft an economic development policy for inclusion in our comprehensive plan and eventually into a countywide economic development strategy. The [Columbia River Economic Development Council](#) (CREDC) has our thanks in helping to make sure those policies and strategies will be effective.

Second, we have adopted planning policies in the comprehensive plan update to ensure an extensive supply of quality industrial lands is available for development.

Third, we have launched sub-area planning initiatives in east Clark County and in Hazel Dell that will identify hurdles to development and aid in expediting the permitting process.

Fourth, we have approved a 30 year extension of the Real Estate Excise Tax and dedicated 50% of the proceeds for public improvements that will spur economic growth.

Fifth, in partnership with the City of Vancouver, we have established a Public Facilities District to fund construction of a hotel and convention center that we are extremely confident will prove to be the cornerstone for downtown redevelopment. A handful of Vancouver citizens insist that it won't work. We think it will.

Sixth, we took the leadership role in southwest Washington to link workforce development training programs to our economic development strategies with CREDC.

Seventh, we have established the partnerships necessary to develop wetlands banks that will literally enhance the environment while making way for jobs growth in areas where we want it. Now we just need money and a clarification of the rules from the State.

Eighth, we have made a public commitment to invest in and make full use of the Clark County railway line. It was a great investment when the county bought it in 1986 and it's time for us to start using it.

Ninth, while still to be perfected, we are looking at ways to enable prospective industries to meet directly with elected leaders to discuss ways that we can facilitate their entry into Clark County.

Tenth, despite campaign speeches to the contrary, we have engaged Clark County staff to develop and propose a methodology for ensuring a 90 day permitting process for projects of economic significance. That proposal is no longer just talk: a very brief outline of the proposal is on your table and the total proposal is available from the Department of Community Development, led by Rich Carson and Marlia Jenkins.

Their proposal, the economic development REET, and funding for sub-area planning and wetlands banking, can and will enable us to do better than 90-day permitting and we will continue to pursue it.

Economic development has been this board's priority for the past two years. While it may seem to the casual observer that we've spent a lot of time talking about it but not actually doing anything to make it happen, in fact our progress has been comprehensive and historic. Clark County is no longer a passive observer of economic development. Beginning two years ago and moving forward into the future, we will become full partners in driving it.

### **Growth Management**

The third area I want to talk about today is the county's ongoing effort to update our [comprehensive plan](#) for the future.

There are a lot of things I could say about why this update has taken so much more time than the Board originally thought it would, but I'm not going to do that. Instead, I want to make a very clear and definitive statement to this community and to county staff: this update will be finished by December 31st, 2003!

While it's premature to say exactly what the final plan will look like, the policy directions adopted by the board in April of 2001 (usually with unanimity but sometimes by majority) and the range of alternatives currently being narrowed into a preferred alternative, make it clear that we are heading in a direction of being considerably less encouraging of expansive residential sprawl, but considerably more supportive of economic development and jobs growth.



What we are trying to do is nothing short of revolutionary. We are trying to turn the direction of a thirty year old path of development in Clark County.

In the past thirty years, two events contributed most significantly to the development pattern of this community. First, was the advent of growth management planning in the State of Oregon in the early 1970's. Second, was the opening of the Interstate 205 bridge in 1983.

Both events conspired together with a willing Clark County government to create a phenomenal competitive advantage on this side of the river to begin providing affordable housing opportunities for everyone in the greater metropolitan region.

In the early 1980's, Metro was formed on the other side of the river and given land use authority over Multnomah, Clackamas and Washington Counties. It began implementing land use and economic development strategies there that have been hailed as visionary and that have become a model for major metropolitan regions around the country.

But they were harmful for us.

Within their vision of the region's future was a clearly stated intention that they would implement land use and transportation policies that would enable them to "capture" only 70% of the population growth in the region but 80% of the jobs growth.

No one should blame Metro for the outcome of their intentions. Not only was it in the best interests of the three counties that they represented, but no one on this side of the river ever questioned the impacts that those decisions would eventually have on Clark County. In fact, this community's leaders at the time eagerly began to facilitate Metro's decisions.

Shortly after I took office four years ago, a major community leader in land use and transportation policy told me, quite clearly and innocently, that he believed our role in the region was to develop our land for residential use so our citizens could feed into the regional prosperity offered by jobs in Oregon.

It wasn't necessarily a bad strategy twenty years ago, but today, its day is done.

I fully understand why those who benefited from the old way of doing business in Clark County are concerned and why they would like to stay with the old direction. I hope that they will try to understand why I will continue to do my utmost to push for a new way.

Ultimately, I regret the public impression that the disagreement generates, that their interests are somehow in conflict with the community's interests. In reality, their interests, like all of our interests, need to be tied together in a comprehensive vision for this community's future.

There are so many things that make up a good quality of life for the citizens of Clark County. When I decided to run for county commissioner in 1998, I literally tried to list all of them out. My list was a page and a half long. I won't waste our scarce time to give the whole list, but let me highlight some of the ones that we talk most frequently about:

An affordable home A reliable job  
A clean environment Public health  
Low crime Parks and open spaces  
Low taxes Strong civic pride  
Reliable transportation

The great thing about all of these aspects of a strong community, is that they all have very strong and vocal advocates. Some of those groups are very politically active; some are just very active doing their jobs, whether paid or volunteer.

We are a community of special interests, each directed toward one specific aspect of our future's needs and advocating incessantly on that aspect's behalf, frequently to the exclusion of all others. It's little wonder that we elect politicians who frequently swing between the extremes.

Folks, we can't keep doing that to each other; we can't keep doing it to the children who are growing up here and who will raise their children here. This community must not lift the interests of any one aspect of a strong future at the expense of any, much less all, of the others.

There are some special interests who are trying to break out of narrow areas of interest and I want to give you some recent examples:

A few weeks ago I met with members of the Clark County Sierra Club and the Clark County Audubon Society about wetlands banking. Normally, you would expect these organizations to throw up a stone wall and refuse to even discuss the possibility of relocating existing, low quality wetlands in order to make way for companies that could contribute to our community's economy.

But they recognize that environmental protection doesn't have to hurt human activity to be effective. It just requires an honest human effort to cooperate with the environment, not conquer and annihilate it.

Just this week, voters across Clark County expressed their support for their local school districts by approving a number of operating levies. Not lost on me in many of those successes was the active support, funding and volunteer effort of the Building Industries Association of Southwest Washington, formerly the Clark County Homebuilders Association.

Through those efforts, the homebuilders showed that they recognize that this community doesn't just need affordable housing. It needs a strong and vibrant public school system as well.

That's what the citizens of this community have been asking for from developers. Don't just build homes; help build the community too.

This community has been politically arrayed for conflict for decades. Politicians have seldom looked further than how they can put together a coalition of special interests that can give them 50% plus 1 and individual special interests have looked for politicians who will represent solely their own interests. Politicians need to be made of sterner stuff and so do the citizens of this community.

The challenges we face are not partisan and they are not black and white. They are complex and they are difficult.

When we honestly put aside the immediate interests of ourselves or our respective organizations, I believe that there is always room for finding common ground. That common ground must be defined as one thing and one thing only: the best interests of the next generation, not taken one at a time, but coordinated with each other and advanced together.

It's taking a young woman like Ashli-Marie Grant and telling her that we're not just planning for her to own a home but we're planning to make sure she has a job close to that home.

We're planning for a future in which she doesn't have to watch the poor and the mentally ill, the handicapped and the elderly, struggle with poverty on her neighborhood streets or live under the constant threat of crime or domestic violence.

We're planning for her and her children to have clean water to drink, clean air to breathe, and places for her and her children to play and enjoy the glories of nature and the gifts of God.

That's what comprehensive planning is all about. It's not about urban growth boundaries; it's about the life of our community's children and grandchildren.

It's not about special interests or political rhetoric. It's about community.

It's not about today. It's about tomorrow.

Whoever you are, whatever your special interest is, it's time for you and me and every organization and citizen in this county to start building that future together. If you're willing to make that commitment, so am I!

## **Conclusion**

Before I close, I would like to make one final introduction.

Despite what you may have heard, there are elected officials in Oregon who know that life in their communities will be better when life in ours improves. One of those elected officials is here today. For the first time, please welcome the new President of Metro Oregon, Metro President David Bragdon.

David has quickly become an Oregonian that Clark County officials can talk to about a future we all share. It's worth noting that I didn't ask David if he wanted to be here with us today; he asked me if he could come and I thank him for that.

David has his job cut out for him.

Citizens in Oregon are a couple of years ahead of citizens in Washington in cutting taxes. They have already brought their governments to the point of releasing criminals from prison early, cutting school years by up to four weeks, and dramatically increasing college costs for young people. They are cutting services to the poor, to the mentally ill, to children, to the handicapped, and to the elderly.

As citizens in the State of Oregon are learning and as a prominent local business leader told me just last week, "There are worse things in life than taxes." He may be right. Whether he is or not, our citizens need to think hard about it because low taxes do come at a cost.

The downside to the decisions Oregon citizens are making is that they will inevitably put greater pressure on our population growth as those most in need of public services, and those most interested in a rational balance of public services, will continue to look to Clark County for our quality of life.

Now, some will argue that we need to hurry and join Oregon citizens in a race to the bottom to prevent that population surge, but there is reason to reconsider.

Just as people will strive to migrate out of the unhealthy community climate that Oregon citizens are now pursuing, businesses will, too. While we talk about buildable lands, permitting processes and wetlands banking, the fact is that modern businesses want to be in the same places where modern citizens want to be.

In the greater Clark County Metropolitan region, they're increasingly going to want to be here and it will take all of our energies, all of our passions and all of our talents to take advantage of that opportunity while we can.

Fortunately, this community is not lacking in energy, in passion, or in talent. What we need is a deep commitment on the part of all of our citizens, both public and private, to

building that future community that Ashli-Marie Grant and Dane Anderson will be proud to call home.

Thank you and God bless you all.